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December 12, 2002

FAA-03-14246-20

via electronic mail

Mr. Kevin Willis
Airport Safety Certification Specialist
Federal Aviation Administration
Room 619
800 Independence Avenue, S.W.
Washington, DC 20591

Re: NOLA Lease Amendment

Dear Kevin:

This is to confirm that the First Amendment to the Lease Agreement for NOLA furnished to you by electronic mail from Sandy Murdock on December 10, 2002, contains amendments authorized under the Resolution adopted by the Special Airport Committee on December 3, 2002.

Sincerely,



Alexander Van der Bellen

Enclosure

cc: Gerard Metzger
J. E. Murdock

Document #: 1293470

**FIRST AMENDMENT TO
AGREEMENT FOR THE LEASE, MANAGEMENT, OPERATION,
COMMERCIAL ENHANCEMENT AND DEVELOPMENT OF THE NEW
ORLEANS LAKEFRONT AIRPORT**

BY AND BETWEEN

**BOARD OF COMMISSIONERS OF
THE ORLEANS LEVEE DISTRICT**

AND

**AMERICAN LAKEFRONT
AIRPORTS, L.L.C.**

This First Amendment to the Agreement for the Lease, Management, Operation, Commercial Enhancement and Development of the New Orleans Lakefront Airport is made and entered into this _____ day of December, 2002, by and between the **BOARD OF COMMISSIONERS OF THE ORLEANS LEVEE DISTRICT** (hereinafter referred to as **"Lessor" and/or "Public Sponsor" and/or "OLD" and/or "Board"**), the governing authority of the Orleans Levee District, a public levee district and a political subdivision of the State of Louisiana, herein represented and appearing through its President, James P. Huey, authorized by Resolution duly adopted by the Special Airport Committee of the Board, a copy of which is attached hereto, **AMERICAN AIRPORTS LAKEFRONT, L.L.C.**, a limited liability company organized under the laws of the State of Louisiana, with its registered office located at No. 2 Canal Street, World Trade Center, Suite 2440, New Orleans, LA 70130 (hereinafter sometimes referred to as **"Lessee" and/or "Private Operator"**) herein represented by Robert A. Clifford, duly authorized by a Resolution adopted by its Members, a copy of which is attached hereto, and **AMERICAN AIRPORTS CORPORATION**, a corporation organized under the laws of the State of California, with its registered office located at Municipal Address 2951 28th Street, 3rd Floor, Santa Monica, CA 90405 (hereinafter sometimes referred to as **"American Airports" and/or "Guarantor,"**) herein represented by its Vice- President, **Robert A. Clifford**, duly

authorized by a Resolution adopted by its Board of Directors, a copy of which is attached hereto.

W I T N E S S E T H:

WHEREAS, the Orleans Levee District owns, operates and manages the New Orleans Lakefront Airport located on the south shore of Lake Pontchartrain, in the Parish of Orleans, State of Louisiana, and

WHEREAS, a means of achieving the objective of efficiently operating the Airport is to privatize its operations, through an agreement with a private company qualified to manage and operate a general aviation airport under the Federal Airport Privatization Pilot Program, 49 U.S.C. §47134, and

WHEREAS, the Board by Resolution No. S1-080701 approved the selection of American Airports Corporation as the private operator for a long-term lease of the New Orleans Lakefront Airport, and authorized the Special Airport Committee to approve a lease of the New Orleans Lakefront Airport with American Airports Corporation or a legal entity established by American Airports Corporation to act as the Lessee/Private Operator, which said lease was to be unconditionally guaranteed by American Airports Corporation, and

WHEREAS, the Special Airport Committee, at its Special Meeting held on March 22, 2002, approved the Agreement for the Lease, Management, Operation, Commercial Enhancement and Development of the New Orleans Lakefront Airport by and between the Board of Commissioners of the Orleans Levee District and American Airports Lakefront, L.L.C., and

WHEREAS, the Board, in its Special Meeting held on March 27, 2002, approved the Agreement for the Lease, Management, Operation, Commercial Enhancement and Development of the New Orleans Lakefront Airport by and

between the Board of Commissioners of the Orleans Levee District and American Airports Lakefront, L.L.C. (hereinafter sometimes referred to as “**Agreement for Lease**”), and

WHEREAS, the Board at said Special Meeting also authorized the President of the Orleans Levee Board or the Executive Director of the Orleans Levee District to file with the Federal Aviation Administration a Final Application for Exemptions under the Federal Airport Privatization Pilot Program, 49 U.S.C. §47134, for the privatization of the New Orleans Lakefront Airport, and

WHEREAS, the Agreement for Lease with American Airports Lakefront, L.L.C. is conditioned upon the approval by the Federal Aviation Administration of the Final Application for Exemptions under the Federal Airport Privatization Pilot Program, 49 U.S.C. §47134, and

WHEREAS, upon review of the said Agreement for Lease, the Federal Aviation Administration requested amendments to Article 10, Services by Private Operator and Rights Reserved by Public Sponsor, Section 10.6, relating to Federal Grant Funding during the Privatization Lease, and Article 14, Subordination, concerning FAA Grant Assurance requirements related to liens or encumbrances to the extent permitted by Louisiana law affecting the Airport, and

WHEREAS, the Special Airport Committee in its Special Meeting held on December 3, 2002, pursuant to its authority under Board Resolution No. S1-080701 approved the amendments to Articles 10, Section 10.6, and to Article 14 of the Agreement for the Lease, Management, Operation, Commercial Enhancement and Development of the New Orleans Lakefront Airport with American Airports Lakefront, L.L.C., and

WHEREAS, the parties hereto now desire to amend said Lease in

accordance with the terms adopted by the Special Airport Committee pursuant to Resolution No. S1-120302.

NOW, THEREFORE, it is agreed by and between Lessor and Lessee that, for and in consideration of the mutual covenants of the parties as herein expressed, and the mutual benefits accruing to them, the aforesaid Lease is hereby amended, as follows:

I.

Article 10.6 of the Lease is hereby amended in its entirety to read as follows:

10.6 This Agreement shall be subordinate to provisions of any existing or future Agreements entered into between Public Sponsor and (a) the United States, or (b) LADOTD, to obtain Federal, State of Louisiana or local Airport aid for the improvement of operation and maintenance of the Premises. To the extent that the law permits only Public Sponsor to act as a sponsor in connection with the grant of Federal, State of Louisiana, and or local funds for airport development, Private Operator shall participate, and Public Sponsor shall use its Best Efforts, in any such application for such funds through Public Sponsor to the extent permitted, and any such grant should recognize the unique relationship between Public Sponsor and Private Operator. Notwithstanding anything to the contrary contained herein, Private Operator shall be the Airport sponsor and the FAA's primary contact for the receipt of federal financial assistance during the Term of this Agreement. In accordance with 62 F.R. 48694, all applications for federal financial assistance shall include a statement that the Private Operator shall assume the obligations of Public Sponsor under any existing grant agreements or deeds.

II.

Article 10.7 of the Lease is hereby amended in its entirety to read as follows:

10.7 It is understood that the FAA will at all times look to Public Sponsor for affecting such actions as may be required to conform to the Assurances; however, Private Operator shall be considered by the FAA as the public sponsor for purposes of conforming to the Assurances. Public Sponsor hereby reserves such rights and authority so as to insure that the Premises will be operated and maintained in accordance with pertinent Federal statutes, rules, regulations and covenants contained in the Assurances entered into, or hereinafter entered into, in Agreements between Public Sponsor and FAA. As between Public Sponsor and Private Operator, Private Operator has responsibility for compliance with the Assurances. Notwithstanding other provisions contained herein, where Public Sponsor must provide Assurances, Private Operator has the responsibility for complying, to the extent that Private Operator can reasonably control such compliance, with such Assurances.

III.

Article 14 of the Lease is hereby amended by adding the following Section

14.2 to read as follows:

14.2 Public Sponsor expressly agrees that it shall not execute any Fee Mortgage or security interest in or create any other liens or encumbrances affecting its ownership (fee) interest in the Premises that would violate any Grant Assurances with the FAA, including but not limited to Grant Assurance No. 5b. prohibiting a sponsor from selling, leasing, or otherwise transferring any part of its title or other interests in the airport property subject to the grant assurances, for the duration of said grant agreement without the approval of the Secretary. Public Sponsor further agrees to obtain the approval of the Secretary as a condition precedent for any Fee Mortgage or other security interest encumbering its ownership (fee) interest in the Premises if required to comply with any said Grant Assurance.

IV.

Lessor and Lessee further agree that all Articles, Provisions, Sections, and Paragraphs, including all Appendices, in the original Agreement for Lease, and all terms and conditions therein not otherwise amended by this First Amendment to Lease, shall remain unchanged and in full force and effect.

AND NOW INTERVENES, American Airports Corporation, by and through its duly authorized Vice-President, Robert A. Clifford, who declared that said American Airports Corporation unconditionally guaranteed all of the obligations of American Airports Lakefront, L.L.C., as Private Operator and/or Lessee, under the Agreement for Lease, and who further declared that American Airports Corporation consents and agrees to all of the terms and conditions of this First Amendment to Lease, and further acknowledges and agrees that this Amendment does not affect its obligations as Guarantor and agrees to remain bound, in solido, with Lessee for the faithful fulfillment of all of Lessee's obligations under the Agreement for Lease and this First Amendment to Lease.

IN WITNESS WHEREOF, the parties have caused this First Amendment to Lease to be signed in quadruplicate originals, on their behalf by their respective signatories thereunto, duly authorized as of the date first above set forth.

**WITNESSES:
THE**

LESSOR:

**BOARD OF COMMISSIONERS OF
ORLEANS LEVEE DISTRICT**

BY: _____
**JAMES P. HUEY,
PRESIDENT**

LESSEE:

**AMERICAN AIRPORTS LAKEFRONT,
L.L.C.**

BY: _____
ROBERT CLIFFORD,

Member

GUARANTOR:

**AMERICAN AIRPORTS
CORPORATION**

BY:

**ROBERT A. CLIFFORD,
VICE-PRESIDENT**

STATE OF LOUISIANA

PARISH OF ORLEANS

BEFORE ME, the undersigned authority, personally came and appeared:

JAMES P. HUEY

who declared and acknowledge to me that he executed the foregoing First Amendment to Lease and signed same for the purposes and objects therein expressed, acting in the capacity of President of the Board of Commissioners of the Orleans Levee District and authorized by Resolution duly adopted by the Special Airport Committee of the Board of Commissioners of the Orleans Levee District.

JAMES P. HUEY

SWORN TO AND SUBSCRIBED

BEFORE ME, THIS _____

DAY OF DECEMBER, 2002.

NOTARY PUBLIC

STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, personally came and appeared:

ROBERT A. CLIFFORD

who declared and acknowledged to me that he executed the foregoing First Amendment to Lease and signed same for the purposes and objects therein expressed, acting in the capacity of authorized agent of American Airports Lakefront, L.L.C., and authorized by Resolution duly adopted by the Members of American Airports Lakefront, L.L.C.

ROBERT A. CLIFFORD

SWORN TO AND SUBSCRIBED

BEFORE ME, THIS _____

DAY OF DECEMBER, 2002.

NOTARY PUBLIC

STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, personally came and appeared:

ROBERT A. CLIFFORD

who declared and acknowledged to me that he executed the foregoing First Amendment to Lease and signed same for the purposes and objects therein expressed, acting in the capacity of Vice-President of American Airports Corporation, and authorized by Resolution duly adopted by the Board of Directors of American Airports Corporation.

ROBERT A. CLIFFORD

SWORN TO AND SUBSCRIBED

BEFORE ME, THIS _____

DAY OF DECEMBER, 2002.

NOTARY PUBLIC